

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

EXPERIMENTAL RATE AND SERVICE CHANGES
TO IMPLEMENT NEGOTIATED SERVICE AGREEMENT
WITH CAPITAL ONE SERVICES, INC.

Docket No. MC2002-2

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PLUNKETT
TO INTERROGATORY OF THE NEWSPAPER ASSOCIATION OF AMERICA
REDIRECTED FROM WITNESS BIZZOTTO
(NAA/USPS-T1-8(I))

The United States Postal Service hereby provides the response of witness
Plunkett to the following interrogatory of the Newspaper Association of America:
NAA/USPS-T1-8(I), filed on November 15, 2002, and redirected from witness Bizzotto.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

Scott L. Reiter

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November 25, 2002

RESPONSE OF UNITED STATES POSTAL SERVICE WITNESS PLUNKETT
TO INTERROGATORY OF NEWSPAPER ASSOCIATION OF AMERICAREDIRECTED
FROM WITNESS BIZZOTTO

NAA/USPS-T1-8: In your response to ABA/USPS-T1-1, you quote witness Plunkett as saying: In the course of developing the [Capital One] NSA, the Postal Service has not identified any other customers with Capital One's combination of attributes that makes this agreement uniquely valuable. The Postal Service recognizes that if there were other mailers that use First-Class Mail as an advertising medium, and that if they exhibited similar mail usage and growth potential, it could be beneficial to enter into a similar agreement with those mailers. (Emphasis added.)

i. Please explain the analysis the Postal Service performed to determine whether Capital One had "growth potential."

Response

- (i) The Postal Service conducts ongoing research on many industries including credit card companies. Moreover, extensive information is available from securities analysts. During discussions with Capital One the Postal Service used such information to determine that Capital One had "growth potential."

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

Scott L. Reiter

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